



# USAID | INDONESIA

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E-mail Submission to : [aps10-003@usaid.gov](mailto:aps10-003@usaid.gov)

**Subject: ANNUAL PROGRAM STATEMENT (APS) No. Indonesia 10-003  
STRENGTHENING INTEGRITY AND ACCOUNTABILITY PROGRAM II  
(SIAP-II)**

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the United States Agency for International Development Mission in Indonesia (USAID/Indonesia) is seeking applications from registered indigenous (local) Indonesian organizations and/or registered indigenous (local) Indonesian organizations in partnership with US and non-US non-governmental organizations (NGOs) for a program to contribute to good governance and economic growth in Indonesia by strengthening integrity and accountability in government – principally at the national level.

The program to be implemented is the “Strengthening Integrity and Accountability Program II (SIAP II) for which the Recipient will be responsible for ensuring achievement of the program objectives. Full program details are provided in the Program Description, Section A of this APS.

Subject to the availability of funds, USAID/Indonesia intends to award a series of Grant Agreements or Cooperative Agreements, for program duration of a minimum of one year and not to exceed September 30, 2012. USAID/Indonesia will not consider any applications below a minimum amount of Rp 2,700,000,000 or above a maximum amount of Rp 13,500,000,000. USAID/Indonesia reserves the right to incrementally fund activities over the duration of the program, if necessary depending on program length, performance against approved program indicators and the availability of funds.

Pursuant to 22 CFR 226.81, it is USAID policy not to award fee or profit under assistance instruments. However, all reasonable, allocable, and allowable expenses, both direct and indirect, which are related to the grant program and are in accordance with applicable cost standards (22 CFR 226, OMB Circular A-122 for non-profit organization, OMB Circular A-21 for universities, and the Federal Acquisition Regulation (FAR) Part 31 for-profit organizations), may be paid under the agreement.

If you decide to submit an application, it must be received by the closing date and time indicated at the top of this cover letter at the place designated below for receipt of applications. Facsimile

submissions are not authorized nor will be accepted. USAID/Indonesia requires one original and four (4) copies of the Applicant's Technical Proposal as well as one original and two (2) copies of the Cost Proposal. **The Applicant shall submit the applications both in hard copies and electronically, as specified at Section B.4 of this APS.**

Technical and Cost/Business applications must be kept separate from each other. Technical applications must not make reference to pricing data in order that the technical evaluation may be made strictly on the basis of technical merit. Award will be made to that responsible Applicant whose application offers the greatest value.

Issuance of this APS does not constitute an award commitment on the part of the Government, nor does it commit the Government to pay for costs incurred in the preparation and submission of an application. In addition, final award of any resultant Agreement cannot be made until funds have been fully appropriated, allocated, and committed through internal USAID procedures, on which condition this APS is issued. While it is anticipated that these procedures will be successfully completed, potential Applicants are hereby notified of these requirements and conditions for award. Applications are submitted at the risk of the Applicant; should circumstances prevent award of a Agreement, all preparation and submission costs are at the Applicant's expense. Further, the U.S. Government reserves the right to reject any or all applications received.

The preferred method of distribution of USAID procurement information is:

- (1) via Grants.gov on the World Wide Web (www). This APS and any future amendments can be downloaded from the Agency Web Site. The Worldwide Web Address is <http://www.grants.gov>. Click on "Find Grant Opportunities", then click on "Browse by Agency" and choose "Agency for International Development". If you have difficulty registering or accessing the Grants.gov, please contact the Grants.gov Contact Center at 1-800-518-4726 or via e-mail at [support@grants.gov](mailto:support@grants.gov) for technical assistance. Receipt of this APS through Grants.gov must be confirmed by written notification to the contact person noted below. It is the responsibility of the recipient of the application document to ensure that it has been received from Grants.gov in its entirety and USAID bears no responsibility for data errors resulting from transmission or conversion processes.

And,

- (2) via USAID/Indonesia Web Site at <http://indonesia.usaid.gov/en/Procurement.aspx>  
If you have difficulty accessing the web, please e-mail to **[aps10-003@usaid.gov](mailto:aps10-003@usaid.gov)** for further technical assistance. It is the responsibility of the recipient of the application document to ensure that it has been received from USAID/Indonesia's web site in its entirety and USAID bears no responsibility for data errors resulting from transmission or conversion processes.

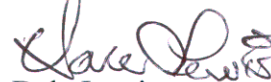
Any questions concerning this APS should be submitted in writing to Mr. Dale Lewis, via email at **[aps10-003@usaid.gov](mailto:aps10-003@usaid.gov)** with copy to Ms. Johanna Gardjito at **[jgardjito@usaid.gov](mailto:jgardjito@usaid.gov)**.

**Questions and inquiries seeking clarifications must be submitted to the email addresses no later than November 30, 2009.**

Applicants should retain for their records one copy of all enclosures which accompany their application.

Thank you for your consideration of this USAID initiative. We look forward to your participation.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dale Lewis", with a stylized flourish at the end.

Dale Lewis  
Agreement Officer  
USAID Indonesia

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## **SECTION A – PROGRAM DESCRIPTION**

### **DEMOCRATIC GOVERNANCE ANNUAL PROGRAM STATEMENT (APS) (NOVEMBER 16, 2009 – OCTOBER 31, 2010)**

#### **STRENGTHENING INTEGRITY AND ACCOUNTABILITY PROJECT II (SIAP II)**

##### **1. PURPOSE STATEMENT**

The purpose of this Annual Program Statement (APS) is to solicit applications to support a new activity, the Strengthening Integrity and Accountability Project (SIAP). USAID Indonesia's Office of Democratic Governance (USAID/DG) proposes to begin this project in FY 2010. The objective of SIAP is to contribute to good governance and economic growth in Indonesia by strengthening integrity and accountability in government – principally at the national level. It will do this by addressing governmental and non-governmental efforts to enhance integrity and accountability in three related areas below.

In order to maximize innovation and ensure direct implementation of a portion of the program by Indonesian organizations, services required to implement SIAP will be procured through two mechanisms: a competitively-awarded Cooperative Agreement (CA) (SIAP I) and this Annual Program Statement (APS) (SIAP II). Work to be completed under a separate Cooperative Agreement will address Components 1 and 2. This APS focuses on the Component 3 listed below.

1. Supporting key accountability agencies such as the Corruption Eradication Commission (KPK) and the Supreme Audit Body (BPK).<sup>[1]</sup>
2. Strengthening political integrity and accountability by reducing the influence of “money politics.” This will include support for enhancing the efforts to strengthen the fair regulation of political finance and effective oversight and enforcement.
3. Providing support to citizen- and media-based efforts to strengthen integrity and accountability. This will include support to civil society organizations (CSOs) and the media for monitoring and advocacy, as well as, for innovative efforts to create a “culture of accountability.”

Under this APS, USAID/Indonesia anticipates awarding several grants totaling \$6 million in a three year period. Anticipated awards will be made in March 2010, August 2010, and January 2011. Awards may be of varying durations, but no award will be for less

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<sup>[1]</sup> Support to the KPK will be limited to its corruption prevention efforts. No assistance to KPK may be used to support its law enforcement capabilities and functions.

than one year and all awards will end by September 2012. Depending on the availability of funds and effectiveness of award mechanism, the APS may be extended, revised or re-issued.

## 2. BACKGROUND

Indonesia has been navigating its democratic transition in a sometimes slow but generally successful fashion for more than a decade. Over the last ten years Indonesians have successfully institutionalized democratic politics, made multiple improvements to their constitution, reduced the political role of the military and initiated sweeping decentralization. As a result, as the 2008 Democracy and Governance Assessment for Indonesia has pointed out, the institutional structure of democracy in Indonesia is now largely in place<sup>[2]</sup>. Indeed, as of mid-2009, Indonesia appears to be one of the most successful and stable “new” democracies in Asia.

While Indonesia’s *transition* to democratic politics has been very successful, there still are a number of problems and shortcomings that are significant impediments to the *consolidation* of democracy in Indonesia.<sup>[3]</sup> These include the still-weak rule of law, relatively low levels of transparency and accountability, inadequate representation, often dysfunctional inter-governmental relations, and a political system heavily influenced by money politics. The cases of Thailand and the Philippines demonstrate how vulnerable democratic processes can be to erosion and backsliding. It is too soon to declare “victory” in Indonesia; more needs to be done to increase the likelihood of democratic consolidation.

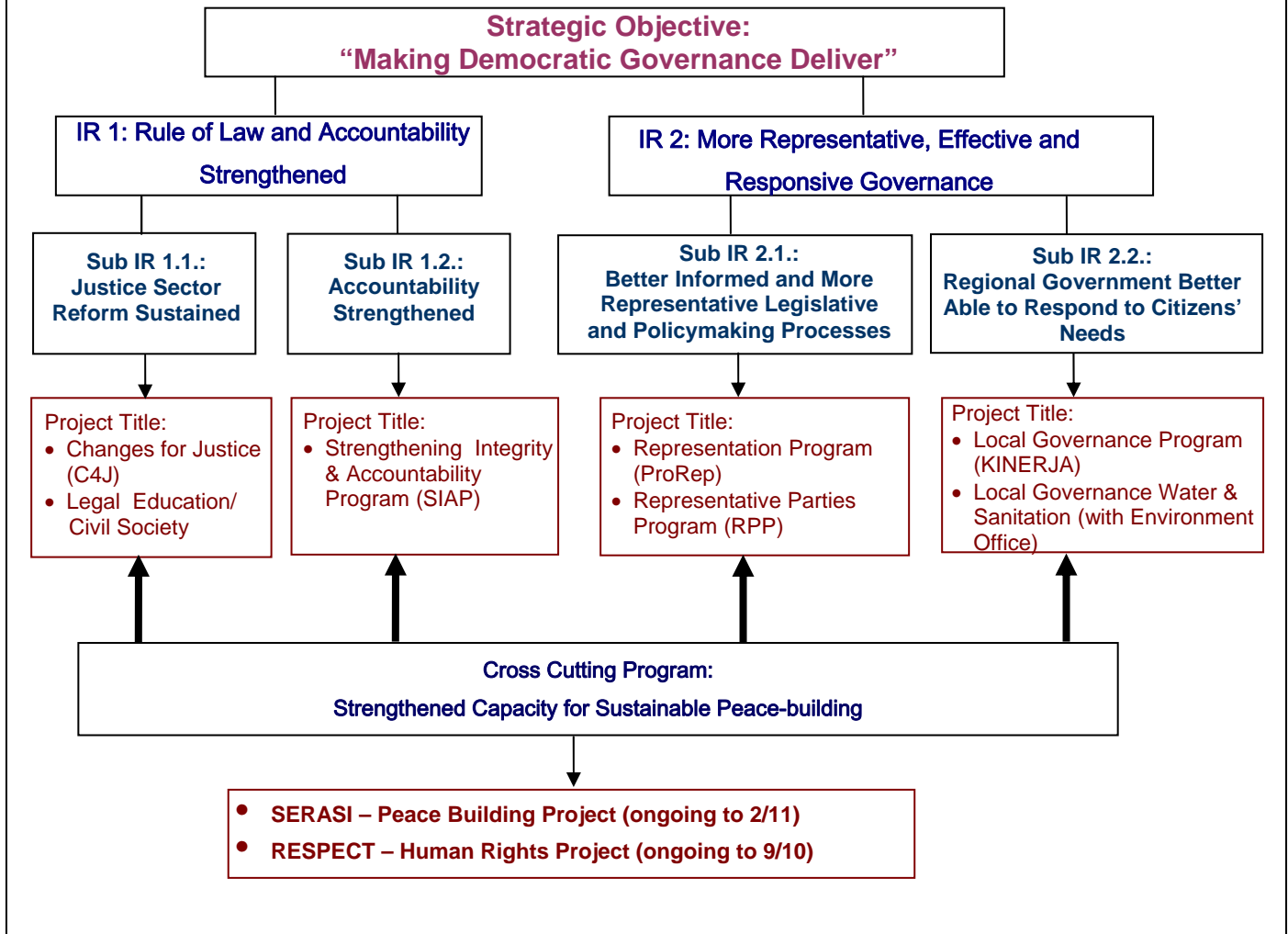
In order to address the remaining impediments to democratic consolidation and good governance in Indonesia, USAID Indonesia’s Office of Democratic Governance (USAID/DG) has as its Assistance Objective for 2009-2014: *Making Democratic Governance Deliver*. This AO falls under the US Government’s foreign assistance category of “Governing Justly and Democratically.”

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<sup>[2]</sup>. See “Indonesia Democracy and Governance Assessment” prepared for USAID by Democracy International, June 2008.

<sup>[3]</sup>. Democratic “consolidation” as used here is defined as a situation characterized by: 1) *essentially* democratic institutions and political processes, 2) the widespread acceptance of these institutions and processes, and 3) the absence of actors or social forces that present a serious threat to democratic institutions and processes.

## **DG Strategy and Planned Activities**



To contribute in a material way to this Assistance Objective, USAID will support activities intended to have the following three outcomes (Intermediary Results or IRs):

1. Rule of law and accountability strengthened
2. Governance made more representative, effective and responsive
3. Capacity for sustainable peace building strengthened (cross program support).

The proposed new activity falls under and will contribute to IR 1: Rule of law and accountability strengthened.

### 3. PROBLEM STATEMENT

Democracy and the good governance in Indonesia are undermined by weak accountability institutions and norms. Democracy is undermined, because weak accountability weakens the responsiveness of elected officials to citizens, inter-governmental check and balances and allows for abuses of political power. Good governance is undermined because weak accountability fosters unresponsiveness, inefficiency and corruption in public administration.

The corruption caused by weak integrity systems represents a serious development challenge to Indonesia because: a) it benefits the rich at the expense of the poor, b) it distorts policymaking and reduces the equity and impact of government development programs, c) it discourages investment and the development of a competitive private sector, and d) it discredits Indonesia's political institutions and processes.

The corruption of political processes caused by money politics is particularly damaging to the quality and legitimacy of democratic politics and institutions. The negative consequences of pervasive money politics include: a) the entry into politics of people more concerned with self-interest than the public interest, b) the creation of high "entry costs" for politics, which restricts political participation to the wealthy, c) the delegitimization of elections and the corruption of electoral outcomes; d) the distortion of the composition and functioning of political parties, e) the distortion and discrediting of legislative processes, and f) the weakening of checks and balances and oversight functions.

There have been significant improvements in accountability and integrity in Indonesia since 1998; but the institutionalization of integrity and accountability is still fairly limited and the normative foundations are weaker still. Continued progress in the future is not guaranteed and much of the success to date is vulnerable to reversal. Therefore, it is important to sustain and deepen governmental and non-governmental efforts to strengthen accountability and integrity in Indonesia.

### 4. DEVELOPMENT HYPOTHESIS

The development hypothesis which underlies the design of SIAP2 and the awards resulting from this APS are based on the following:

a) The first key premise is that corruption and other abuses of power continue to pose serious threats to both democracy and socio-economic development in Indonesia. Therefore it is important and appropriate for USAID to devote resources to address this problem.

b) The second key premise is that corruption and malfeasance in government are principally the result of weak accountability and integrity systems. Therefore, the development challenge is how to strengthen accountability and integrity in government.



Our analysis shows that Indonesia's recent history has demonstrated that it is possible to strengthen accountability and integrity in government. However, the experience of Indonesia and other countries also tells us that there is no single "silver bullet" and success depends on multiple ingredients. In Indonesia the most important of these are:

1. Separation of powers and democratic rights and politics
2. Sustained and high-level political will
3. A strategic, multi-faceted approach
4. A minimally conducive legal context
5. Effective accountability bodies
6. Effective external monitoring and pressure by NGOs and media
7. Societal cultural support.

"Ingredients" 1, 2 and 3 are essential pre-conditions for USAID Indonesia assistance in support of accountability and integrity. As President Susilo Bambang Yudhoyono has won a second term, it seems likely that these three ingredients will continue to be in evidence.

Ingredient 4, a minimally conducive legal environment, also currently exists, but largely because of the earlier success of reformers in passing adequate laws, the existence of the KPK, Tipikor and BPK, and pressure on the Supreme Court and AGO. Looking ahead, these are vulnerable to being weakened or rolled back and therefore need to be defended.<sup>[4]</sup>

Ingredients 5, 6 and 7 need to be strengthened and efforts to do so can benefit from donor support. The capacity and effectiveness of the KPK, BPK and other accountability agencies must continue to be made stronger. Likewise, the capacity and effectiveness of CSOs and the media also need strengthening. And lastly, the public must expect and/or demand greater accountability and integrity from their elected leaders and government. USAID, through the proposed SIAP2 program, will contribute to these three key ingredients.

## 5. PROGRAM DESCRIPTION

### 5.1 PROGRAM OBJECTIVES

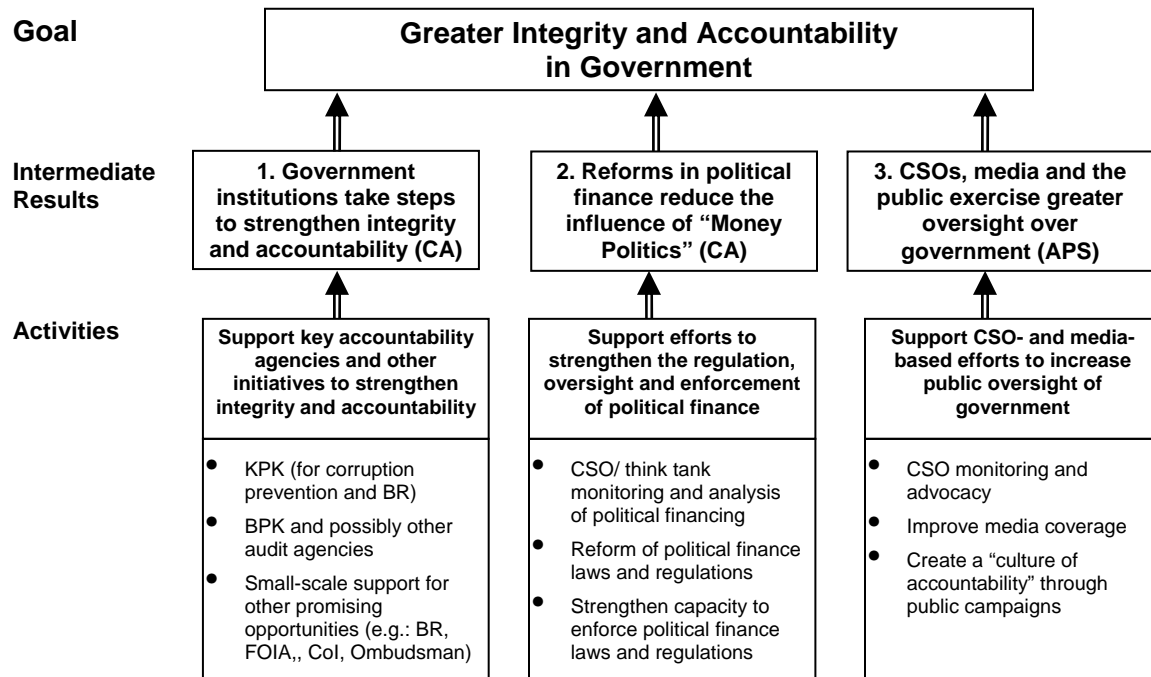
The objective of SIAP2 is to contribute to democratic governance and economic growth in Indonesia by: ***Supporting citizen- and media-based efforts to strengthen integrity and accountability.*** This will include support to CSOs and the media for monitoring and advocacy as well as for innovative efforts to create a "culture of accountability."

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<sup>[4]</sup> The new Changes for Justice program (C4J) will support efforts to sustain and deepen reform in the justice sector.

## Strengthening Integrity and Accountability Program

### *Results Framework* (for both the separate Cooperative Agreement and grants awarded under this APS)



There are tens of thousands of civil society organizations (CSOs) in Indonesia today, including religious organizations, mass-based membership organizations, unions, ethnic-based organizations, community organizations, non-governmental organizations, professional associations and politically affiliated organization.<sup>[5]</sup> CSOs targeted by this APS are the one that are registered, well managed and have relatively good financial management.

## 5.2 PROGRAM CONTEXT – SUPPORTING CSO - AND MEDIA-BASED EFFORTS TO STRENGTHEN INTEGRITY AND ACCOUNTABILITY

**Rationale:** As noted at the outset, accountability is a relationship between a person or institution exercising power and the people or institutions who authorize the exercise of that power and who have the responsibility to judge whether the exercise of power was done properly or improperly. In polities with authoritarian experiences or strong statist traditions -- that is, where the dominant view is that “the state, not citizens, knows what’s best”-- citizens may need to be educated and empowered to play their role in exercising

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<sup>[5]</sup> “NGO Governance and Accountability in Indonesia: Challenges in a Newly Democratizing Country” by Hans Antloy, Rustam Ibrahim & Peter van Tuijl in “NGO Accountability: Politics, Principles & Innovations” edited by Lisa Jordan & Peter van Tuijl; page 146; Earthscan, London, 2006.

accountability. Indonesia is one such place: Despite the transition to democracy in 1998, authoritarian legacies as well as hierarchical and statist traditions remain strong. Confronted with this, many Indonesians, and particularly poor and poorly-educated Indonesians, are not well-equipped to demand accountability from their government and political leaders. Instead, there is a tendency to see the provision of government services as gifts from a particular politician or official – not as something voters and tax payers are entitled to.

Moreover, even when citizens are inclined to hold politicians and officials accountable, doing so may not be easy. Budgets are hard to understand, lines of responsibility may be intentionally blurry, and officials may not be accessible or forthcoming with information.

This component will address the need for and challenge of effective citizen participation in promoting integrity and accountability. It will have two sub-components: one will support CSO and media efforts to foster integrity, accountability and transparency, the other will support CSO and other efforts to promote a “culture of accountability” among Indonesians.

***a) Supporting CSO and media efforts to foster integrity, accountability and transparency***

“Watchdog” CSOs have demonstrated their value as proponents for greater integrity and accountability in government. The analysis, surveys, exposes, public campaigns and advocacy conducted by groups like these have played an important role both in sustaining pressure for reform and in helping to define and prioritize the reform agenda. They have both engaged with and put pressure on the KPK, BPK and other state agencies. And their work contributes to greater public awareness of the problem of corruption and what can be done about it.

Looking to the future, continuing and enhancing the role of watchdog CSOs faces several major challenges: First, almost all CSOs in Indonesia face the fundamental challenge of ensuring their independence and sustainability. Second, they must continue to upgrade their technical expertise (such as in the areas of forensic accounting, budget analysis, procurement procedures, etc.). And third, the relatively small universe of CSOs concerned with integrity and accountability in government must be expanded – to ensure both broader participation and wider geographic coverage.

Indonesia’s media also have played an important role in promoting greater integrity and accountability. The media play both a proactive and a reactive role: They are proactive when journalists expose corruption and malfeasance and when readers or listeners are encouraged to report the same. More typically, however, the media in Indonesia tend to be largely reactive, simply reporting on problems identified by others, covering trials, etc. With respect to CSOs, the capacity of the media to investigate and report on corruption and other abuses of authority declines significantly outside of major cities.

Illustrative activities: Activities under this sub-component might include:

- Capacity building and program support for watchdog CSOs and professional associations<sup>[6]</sup>. This might include supporting higher-quality monitoring and analysis and fostering the expansion and impact of CSO networks.
- Support for CSO/think tank monitoring and analysis of the bureaucratic reform process.
- Support to foster greater involvement of the professional associations.
- Support to regional media to enable more investigative reporting and better reporting on the implementation of major government social service programs.

Results: Expected results of proposed programs will include:

- CSO monitoring and advocacy has wider and greater impact.
- The professional associations become more substantively engaged on issues of corruption and conflict of interest.
- More frequent and in-depth coverage of corruption and other abuses of power by the regional media.

***b) Building a “culture of accountability”***

Weak accountability is not just the product of institutional weakness; to some extent it is rooted in citizens’ attitudes towards their role in public life, their attitudes towards government and government officials, and of course, the attitude of politicians and bureaucrats toward citizens. These attitudes and the resulting behavior are shaped by some mix of culture, gender, education and socio-economic position. They also are shaped by the reality of what citizens see and experience in their lives everyday. Therefore, attitude change and behavioral change are closely inter-twined, and changing one necessarily involves changing the other.

This sub-component will support innovative initiatives by CSOs and others to promote a “culture of accountability” among Indonesians. “Culture of accountability” are the attitudes and behavior that enable citizens to actively and effectively exercise accountability. These initiatives are envisioned as typically involving social marketing/civic education campaigns that address tangible, “real life” accountability deficits. An example of this would be an effort to encourage Indonesian taxpayers to pay more attention to how the government spends and reports on their taxes.

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<sup>[6]</sup> In Indonesia, associations are registered organizations. They are often more structured and organized than other kinds of non-governmental organizations and have formal membership.

Some of these campaigns might target the general public while others target more specific audiences such as business owners, tax payers, professional associations, etc. Given that this sort of citizen engagement typically is driven by local-level issues of integrity and accountability, local as well as national efforts will be supported under this component.

Illustrative activities: Activities under this sub-component might include:

- Use of social marketing and civic education to promote accountability and integrity.
- Generating public support for efforts made by government to increase accountability and integrity.
- Explore and draw upon cultural and religious support for accountability and integrity.
- Support broader discussion of Conflict of Interest (CoI) in politics and governing.

Key results: Expected results of proposed programs will include:

- Proponents of integrity and accountability will gain a better understanding of citizen attitudes.
- Innovative campaigns will be carried out to promote a “culture of accountability.”
- Understanding and acceptance of the concept of Conflict of Interest will increase.

## **6. INSTRUCTIONS TO APPLICANTS**

### **6.1 ELIGIBILITY**

- USAID is seeking full applications from registered indigenous (local) Indonesian organizations and/or registered indigenous organizations in partnership with US and non-US non-governmental organizations, non-profit and for-profit organizations willing to forego profit.
- Eligible organizations include, non-governmental organizations, for profit organizations which forego profit or fee, foundations, faith based organizations, community based organizations, private organizations affiliated with public academic institutions and international non-governmental organizations, private companies, professional associations and consortia of the above. Where consortia are proposed, the applications must be clear regarding the relationship of each member, the responsibilities which are assumed by each member and the

relationship of that member which assumes the responsibility for the overall implementation and success of the proposed programs.

- Applications are limited to indigenous (local) Indonesian organizations, as the prime partner. Applications, however, may provide for partnering with experienced U.S. and non-U.S. organizations in a direct partnership or joint venture to provide capacity building of Indonesian Applicants. A specific intent of the partnering must be to build the capacity and accountability of the Indonesian prime Applicant. The nature of any such relationship must be clearly stated and demonstrated in the application. A factor in the evaluation of Applications will be the proven and demonstrated expertise of the non-Indonesia partners in building lasting technical and administrative capacity among Indonesian partners.

## **6.2 PROGRAM DURATION AND DEADLINES**

The APS will be open for a period from November 16, 2009 to October 31, 2010. Applications will be considered and awards made in three rounds.

Round 1: Applications due by December 31, 2009  
Anticipated announcement of award: March 31, 2010

Round 2: Applications due by May 31, 2010  
Anticipated announcement of award: August 31, 2010

Round 3: Applications due by October 31, 2010  
Announcement of award: January 31, 2011.

Applications will be considered for program durations of a minimum of one year and not to exceed September 30, 2012. Applications should have an effective starting date for initial program activities to commence at any time after November 30, 2009 and end by September 30, 2012.

USAID reserves the right to incrementally fund activities over the duration of the program, if necessary, depending on program length, performance against approved program indicators and availability of funds.

## **6.3 ANTICIPATED FUNDING AVAILABILITY**

USAID anticipates that a total of approximately **US\$6,300,000** will be available to support the program(s) or activity(ies) described herein, although final funding levels will depend on content, quality, number of applications received, needs, availability of funding, and competing priorities.

Depending on the need, and to be determined by USAID, in the second round of the APS \$700,000 may be reserved for a complementary component to the activities described

within this APS. This component would be Capacity Building for local organizations to enable them to meet the requirements of direct USAID funding. Details on this component will be addressed by an amendment to this APS.

USAID will not consider any applications below a minimum amount of **Rp2,700,000,000** or above a maximum amount of **Rp13,500,000,000**.

#### **6.4 ANTICIPATED NUMBER OF AWARDS**

USAID plans to make multiple awards under this APS, subject to the availability of funds. Nevertheless, USAID reserves the right to make a single award, to fund parts of applications, or not to make any awards at all. Issuance of this APS does not constitute an award commitment on the part of the U.S. Government, nor does it commit the U.S. Government to pay for any costs incurred in the preparation and submission of any application.

#### **6.5 TYPES OF AWARD(S)/ SUBSTANTIAL INVOLVEMENT**

USAID anticipates that grants will be awarded as a result of this APS. However, USAID reserves the right to award a cooperative agreement instead of a grant, if deemed by USAID to be more appropriate. Cooperative agreements are similar to grants except that USAID may be substantially involved in the following areas:

- USAID approval of the recipient's implementation plans (limited to not more frequently than annually);
- USAID approval of specified key personnel (limited to 5 positions or 5% of the recipient's total team size, whichever is greater);
- USAID and recipient collaboration or joint participation which includes one or more of the following:
  - USAID approval of a program monitoring and evaluation (M&E) plan (to the extent that such information is not included in the application);
  - USAID monitoring to permit direction and redirection because of interrelationships with other projects; and
  - USAID specific program interventions.

[End of Section A]

## **SECTION B – APPLICATION FORMAT**

### **B.1 INSTRUCTIONS FOR APPLICATIONS**

Applications should not be written as concept papers but as full applications and be kept as succinct as possible with sufficient detailed information to permit USAID's consideration and evaluation for possible award. Applicants are to adhere to the specific instructions of this APS and should appropriately organize and reference their applications. Only those applications received by the deadline specified herein will be reviewed for responsiveness to the requirements set forth in this APS.

Applications shall be submitted in two separate parts: (a) Technical Application and (b) Business/Cost Application.

This APS is the official source document for the application. Oral explanations given before submission of the application will not be evaluated; only the written application will be evaluated. Applicants should retain for their records a copy of the application and all attachments/enclosures which accompany their application. USAID will only consider applications conforming to the prescribed format.

Issuance of this APS does not constitute a commitment of the part of the U.S. Government to make an award nor does it commit the Government to pay for any costs incurred in the preparation and submission of an application. Further, the U.S. Government reserves the right to reject any or all proposals received.

### **B.2 TECHNICAL APPLICATION FORMAT**

Technical Applications are limited to no more than **twenty two (22)** pages plus specified attachments/annexes. Additional information will not be provided to the technical evaluation committees. Applications must be written in English. The Application should be formatted on standard 8-1/2" x 11" paper, with single space, 12 point font Times New Roman or similar font with margins no less than one inch on each border. Number each page consecutively.

- (a) Cover Page (not more than one (1) page): The Cover Page must include the APS number, names of the organizations/institutions involved (with the name of the lead or primary Applicant clearly identified), and title of the application. In addition, the Cover Page should provide a contact person for the primary Applicant, including the individual's name, title or position with the organization/institution, mailing address, email address, telephone and fax numbers. Applicants should also clearly state whether the identified contact person has the authority to negotiate on behalf of the Applicant, or, if not, the contact information for the appropriate person with authority to negotiate.



- (b) Executive Summary (not more than one (1) page): A summary of the key elements of the Applicant's Technical Application, including but not limited to, the technical strategy, approach, methodologies, and implementation plan. Describe how the overall program will be managed. DO NOT provide cost figures other than the Total Amount of USAID funds requested.
- (c). Technical Narrative (not more than eighteen (18) pages): The technical narrative will be evaluated in accordance with the Evaluation Criteria set forth in the section below. Applicants must organize the narrative sections of their applications in the same order as the evaluation criteria and include the following sub-sections:

Program Description:

1. Goal and Objectives
2. Proposed Outcomes
3. Context Analysis
4. Technical Approach
5. Expected Impact

- (d). Organizational and Team Capabilities (2 pages). The Application should include a listing of the proposed key personnel and staffing, partnership arrangements, and contingency plans and an Implementation Schedule (including milestones).

- (e) Annexes – the Technical Application should contain at the minimum the following annexes:

- (i) Illustrative Work Plan
- (ii) Curriculum Vitae/resumes – should be provided for each key technical personnel. They should be limited to a maximum of four pages per person. Each resume shall be accompanied by a signed letter of commitment from the candidate indicating his/her availability to serve in the stated position, in terms of period after award. A minimum of three references must be submitted for the proposed key personnel, together with current telephone and fax numbers and e-mail address.
- (iii) Past Performance References (of Applicant and key partner institutions) - Applicants shall furnish award numbers and other details with contact information, for three projects funded over the past three (3) years by USAID, or any other government entity, or third party source. The details shall include the name of the organization or agency which funded the program(s); award number; point of contact's name, mailing address, email address and phone number; and the overall dollar value of the program. **Newer organizations, or Applicants with no related prior grant awards, are encouraged to apply and remain eligible for consideration.**
- (iv) Performance Monitoring and Evaluation Plan, Results Framework. The Applicant's Performance Monitoring and Evaluation Plan must include:

- 1) A results framework and;
  - 2) A separate performance management table with clearly stated goals and objectives for results, outcomes and outputs. Relevant proposed indicators for measuring these program components over time must be identified and should include relevant disaggregates for data (e.g. gender, age, location), sources for data collection, and timing or frequency of data collection.
- (v) The Applicants' Capacity Building plan including needs of capacity improvement, capacity-building activities, mechanism, and schedule.
- (vi) Signed letters of commitment – should be provided by all proposed implementing partners. Such letters do not have to be exclusive to one Applicant.

### **B.3 BUDGET/COST APPLICATION FORMAT**

The following sections describe the documentation that Applicants must submit to USAID. Budget/Cost Application is limited to no more than **four (4) pages** plus specified Standard Forms and attachments. Applicants are encouraged to be as concise as possible and provide the necessary detail to address the following:

- (a) A Budget Narrative which provides, in detail, the total costs for implementation of the proposed program for the full program period. The budget should clearly show how funds will be used to support the activities proposed in the application's Technical Narrative. The budget should display unit costs (if applicable) and costs by year and should include sub-budgets for each component. The budget is to address (as applicable), but are not limited to, the following: personnel, fringe benefits, office rent, utilities, equipment, communications, and local travel. The Budget Narrative must explain all costs – and the basis of those costs – contained in the budget. The proposed costs and budget aspects of applications will be reviewed for cost realism to evaluate the relationship between the proposed costs and proposed program as well as the likelihood for success.
- (b) A summary of the budget must be submitted using Standard Form (SF) 424, 424A & 424B which can be downloaded from [http://www.grants.gov/agencies/approved\\_standard\\_forms.jsp](http://www.grants.gov/agencies/approved_standard_forms.jsp)
- SF-424, Application for Federal Assistance
  - SF-424A, Budget Information – Non-construction Programs, and
  - SF-424B, Assurances – Non-construction Programs

Any blocks that appear to be referencing issues that are not applicable to the Applicant's situation, should be left blank or marked "N/A." After receipt of APS applications, the Mission staff may choose to contact Applicants to clarify their SF424s. Applicants are requested to submit signed copies of the SF424s.

- (c) The breakdown of all costs to each partner organization involved in the program.

- (d) The breakdown of all financial and in-kind cost share, if any, of all organizations involved in implementing the proposed activities.
- (e) Potential contributions of non-USAID or private sector donors to the proposed activities (including Global Development Alliances).
- (f) The USAID funded portion of the proposed Application Budget must be no less than **Rp 2,700,000,000** and no greater than **Rp 13,500,000,000**.
- (g) Attachments - The following documents must be provided as attachments:
  - Supporting Data/Documentation of the Various Proposed Costs,
  - Global Development Alliance (GDA) Agreements or Drafts (as applicable),
  - Joint Venture/Partnership Agreement(s) or Drafts (as applicable),
  - Copies of the Applicant's financial reports for the previous 3-year period, which have been audited by a certified public accountant or other auditor satisfactory to USAID,
  - Organizational chart,
  - A copy of the organization's accounting manual.

NOTE :

- i. If the Applicant is a joint venture or partnership, the budget (cost) application must include a copy of the agreement between the parties to the joint venture/partnership and an explanation of the proposed accounting system to be utilized post-award. The agreement and/or accounting system explanation should be included as an annex/attachment to the application which will not be counted against the page limit. The agreement will include a full discussion of the relationship between the firms, including: which firm will have responsibility for negotiation of the award; which firm will have accounting responsibility; how work will be allocated, overhead calculated (note that fee/profit is specifically prohibited), and the express agreement of the principals thereto to be held jointly and severally liable for the acts or omissions of the other. Such attachments are not restricted by page limitations.
- ii. Public-Private Partnerships: A partnership is not an expression by an Applicant of its intention to seek third-party partnerships that are not yet formed. Evidence of public-private partnership commitments and roles must be articulated and provided in the agreement document(s) signed by authorized corporate agents/officers of all parties involved. These attachments will not count towards the page limitations.

#### **B.4 INSTRUCTIONS FOR SUBMISSION**

Applications shall be submitted in two separate volumes: (a) technical and (b) cost application. The Applications should be submitted in one original and four (4) copies of the Applicant's Technical Proposal as well as one original and two (2) copies of the Cost Proposal.

**The Applicant shall submit the applications both in hard copies and electronically, as follows:**

- (a) Electronically – internet e-mail with attachments compatible with MS Word, Excel, Adobe Acrobat in MS Windows environment to **aps10-003@usaid.gov** with copy to Ms. Johanna Gardjito at **jgardjito@usaid.gov**,

and

- (b) Hard Copies -

Mr. Dale Lewis  
Office of Procurement  
USAID/Indonesia  
American Embassy  
Jl. Medan Merdeka Selatan 3  
Jakarta, Indonesia 10110  
Mark: APS Indonesia 10-003

**Faxed applications will not be considered.**

Applicants should retain for their records one copy of the application and all enclosures which accompany their application. Erasures or other changes must be initialed by the person signing the application. To facilitate the competitive review of applications, USAID will consider only applications conforming to the format prescribed below.

In addition to the aforementioned guidelines, the Applicant is requested to take note of the following:

- (a) Unnecessarily Elaborate Applications - Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application in response to this APS are not desired and may be construed as an indication of the Applicant's lack of cost consciousness. Elaborate art work, expensive paper and bindings, and expensive visual and other presentation aids are neither necessary nor wanted.
- (b) Acknowledgement of Amendment(s) to the APS shall be submitted together with the application.

(c) Applicants are expected to review, understand, and comply with all aspects of this APS including attachments. Failure to do so will be at the Applicant's risk.

(d) Each Applicant shall furnish the information required by this APS. The Applicant shall sign the application and print or type the name and title clearly on the Cover Page of the technical and cost applications. Applications signed by an agent shall be accompanied by evidence of that agent's authority.

(e) In the submissions, the Applicants must include as necessary any additional evidence of responsibility deemed necessary for the Agreement Officer to make a determination of responsibility in accordance with ADS E303.3.9 at the following website:

<http://www.usaid.gov/policy/ads/300/303.pdf>

(f) Applicants who include data they do not want disclosed to the public for any purpose or used by the U.S. Government except for evaluation purposes, should:

**(1) Mark the title page with the following legend:**

*"This application includes data that shall not be disclosed outside the U.S. Government and shall not be duplicated, used, or disclosed - in whole or in part - for any purpose other than to evaluate this application. If, however, a Cooperative Agreement/grant is awarded to this Applicant as a result of - or in connection with - the submission of this data, the U.S. Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting Cooperative Agreement/grant. This restriction does not limit the U.S. Government's right to use information contained in this data if it is obtained from another source without restriction."*

**(2) Mark each sheet of data it wishes to restrict with the following legend:**

*"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this application."*

Applications received by the deadline will be reviewed for responsiveness to the requirements outlined in these guidelines and will be evaluated by a USAID's Technical Evaluation Committee (TEC). Additional discussions with Applicants may take place if the applications submitted do not adequately describe the activities to be funded and/or there is one or more points to be clarified or modified based on the recommendations of the TEC.

Oral explanations or instructions given before award of a Cooperative Agreement/grant will not be binding. Any information given to a prospective Applicant concerning this APS will be furnished promptly to all other prospective Applicants as an amendment of this APS, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective Applicants.

## **B.5. PROGRAM REQUIREMENT**

The following program requirements must be addressed fully when submitting an application:

- B.5.1 RESPONSIBILITY DETERMINATION** - Applicants should be prepared to submit any additional evidence of responsibility deemed necessary for the Agreement Officer to make a determination of responsibility. The information submitted should substantiate that the Applicant
- a. Has adequate financial, management and personnel resources and systems, or the ability to obtain such resources as required during the performance of the award;
  - b. Has the ability to comply with the award conditions, taking into account all existing and currently prospective commitments of the Applicant, nongovernmental and governmental.
  - c. Has a satisfactory record of performance. Past relevant unsatisfactory performance is ordinary sufficient to justify a finding of non-responsibility, unless there is clear evidence of subsequent satisfactory performance.
  - d. Has a satisfactory record of integrity and business ethics; and
  - e. Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

An award will be made only when the Agreement Officer has made a positive determination that the Applicant possesses, or has the ability to obtain, the necessary management competence in planning and carrying out the assistance program and that it will practice mutually agreed upon methods of accountability for funds and other assets provided by USAID. For the organizations which have had no prior or few USAID awards, or organizations with outstanding audit findings, it may be necessary to perform a pre-award survey.

- B.5.2 Branding Strategy and Marking Plan** - Each application must include in the Application Budget for USAID's Branding Strategy and Marking Plan requirements pursuant to USAID's Acquisition and Assistance Policy Directive 05-11, available at:

[http://www.usaid.gov/business/business\\_opportunities/cib/pdf/aapd05\\_11.pdf](http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd05_11.pdf).

Should your application be recommended for award under this APS, your organization will need to submit:

- (1) A Branding Strategy that describes how the program, project, or activity is named and positioned, how it is promoted and communicated to beneficiaries and

cooperating country citizens, and identifies all donors and explains how they will be acknowledged, and;

(2) A Marking Plan that will detail the public communications, commodities, and program materials intended to visibly bear the USAID identity together with a negotiable budget for each. Once submitted, the Branding Strategy and Marking Plan and their costs, must be negotiated and approved by the USAID Mission/Regional Mission Agreement Officer prior to award.

### **B.5.3 GENDER**

Given the critical role of women in development, it is essential that institutions competing for an award demonstrate knowledge and capacity to address gender-based constraints. Based on the different needs and roles of men and women, strategies for addressing these needs and for ensuring women's full participation in all proposed activities must be part of the methodology/proposed approach. In addition to explicitly addressing women's needs and participation, the proposed methodology/approach shall also address: (a) how will gender relations affect the achievement of sustainable results; and (b) how will proposed activities affect the relative status of men and women. Furthermore, the program strategy shall demonstrate how activities will be monitored, tracked and evaluated to measure the impact on women and on gender relations. All results and indicators must be disaggregated by sex.

### **B.5.4 COST SHARING**

Cost sharing and/or leveraging may be proposed where technical/programmatic benefits would result. Applications that incorporate larger cost sharing/leveraging will be considered more responsive to this APS and will be more positively evaluated. Cost sharing includes contributions, both cash and in-kind, which are necessary and reasonable to achieve program objectives and which are verifiable from the recipient's records. Cost sharing contributions may include volunteer services provided by professional and technical personnel and un-recovered indirect costs. Additional information may be found in 22 CFR 226.23 "Cost sharing and matching" and the USAID Automated Directives System (ADS) 303.3.10, both documents are available on line at: <http://www.usaid.gov/business/regulations/>.

## **B.6. MANDATORY REQUIREMENT**

### **IMPLEMENTATION OF E.O.13224 -- EXECUTIVE ORDER ON TERRORISM FINANCING (MAR 2002)**

The Recipient/subrecipient(s) is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and

organizations associated with terrorism. It is the legal responsibility of the recipient/subrecipient(s) to ensure compliance with these Executive Orders and laws. This provision must be included in all subawards issued under this agreement.

#### **B.7. APPLICABLE REGULATIONS AND REFERENCES**

Standard Provisions will be provided in full text, as applicable, in the resultant agreement.

- Mandatory Standard Provisions for U.S., Nongovernmental Recipients  
<http://www.usaid.gov/pubs/ads/300/303maa.pdf>
- Mandatory Standard Provisions for Non U.S. Nongovernmental Recipients  
<http://www.usaid.gov/policy/ads/300/303mab.pdf>
- 22 CFR 226 USAID Assistance Regulations  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_02/22cfr226\\_02.html](http://www.access.gpo.gov/nara/cfr/waisidx_02/22cfr226_02.html)
- 22 CFR 228 USAID Source, Origin, Nationality Regulations  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_01/22cfr228\\_01.html](http://www.access.gpo.gov/nara/cfr/waisidx_01/22cfr228_01.html)
- ADS Series 303 Acquisition and Assistance  
<http://www.usaid.gov/policy/ads/300/303.pdf>
- AAPD 02-10 Cost Sharing in Grants and Cooperative Agreements to NGOs  
[http://www.usaid.gov/business/business\\_opportunities/cib/pdf/aapd02\\_10.pdf](http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd02_10.pdf)
- SF 424, SF 424A, SF 424B  
[http://www.grants.gov/agencies/approved\\_standard\\_forms.jsp](http://www.grants.gov/agencies/approved_standard_forms.jsp)

[End of Section B]



## **SECTION C – SELECTION CRITERIA**

### **C.1 REVIEW PROCESS**

All applications which meet the eligibility and program requirements, and conform to the application preparation and submission instructions, will be reviewed and scored by a panel of USAID reviewers with the evaluation criteria set forth in this section.

The budget narrative of all applications under consideration for award will be reviewed for what are necessary and reasonable costs to support the program. Upon completion of the initial review of applications, USAID may, as it deems necessary and appropriate, conduct written and/or oral discussions with those Applicants whose applications remain in the competitive range. The decision to conduct such discussions should not be considered a reflection of a final decision about which organization will receive an award, but rather would be part of the evaluation process.

### **C.2 BEST VALUE DECISION**

Award will be made to the Applicant whose application offers the best value to the Government. Best value is defined as the expected outcome of a procurement that, in the Government's estimation, provides the greatest overall benefit in response to the requirement.

For this APS, technical proposal merits are considered significantly more important than cost relative to deciding which Applicant best might perform the work. Cost realism and reasonableness, as well as the amount of cost sharing, will however be important criteria and may be the determining factor in the event that the applications receiving the highest ratings are closely ranked. Therefore, after the final evaluation of the application, the Agreement Officer will make the award to the Applicant whose application offers the best value to the Government considering both technical and cost factors.

### **C.3. TECHNICAL EVALUATION CRITERIA**

The criteria listed below are presented by major category, so that Applicants will know which areas require emphasis in the preparation of the technical proposal. These criteria serve as the standard against which all technical information will be evaluated, and serve to identify the significant matters which Applicants should address.

The number of points assigned to each of the following criteria indicates their relative importance. Within each category, sub - criteria are weighted according to the points indicated. Sub-criteria that do not have weights assigned are intended to broadly inform the scoring process and will not be individually scored or equally weighted, and are not listed in any particular order. To make the selection process as objective as possible,

each implementing partner should clearly demonstrate how the application meets these criteria.

<b>Evaluation Criteria</b>	
<b>1. Technical Approach</b>	<b>50 points</b>
<b>2. Project Management and Staffing</b>	<b>40 points</b>
<b>3. Past Performance</b>	<b><u>10 points</u></b>
<b>TOTAL</b>	<b>100 points</b>

### **1. Technical Approach (50 points)**

The Technical Approach will be evaluated on:

- Approach towards achieving the goals as outlined in the APS
- Feasibility of proposed approach/realism
- Performance Monitoring and Evaluation Plan and Results Framework. The proposed documents include clear and appropriate milestones and expected accomplishments, with measurable output and performance indicators. They also specify appropriate and feasible methods for data collection, tracking, verification, analysis and reporting.
- Sustainability i.e., the likelihood that the programs will be continued beyond the project completion date and without USAID support,

### **2. Project Management and Staffing (40 Points):**

The Project Management will be evaluated on the basis of the Applicant's understanding of the program and its management capacity to achieve the program's objectives which are contained in the documents below:

- (i) **Organizational Structure and Partnership**
  - a. **Management Plan:** Proposed management arrangements supporting effective and efficient project implementation. Applicants should show structure and capacity to manage (technically, administrative and financially) a project of similar type and complexity and to deliver the required results.
  - b. If the Applicant is a partnership between Indonesian and non-Indonesian organizations, the proposal should explain not only the structure of the Applicants' organizations but also of the international partners. The proposal should also explain the international partner's

role and expertise, especially in building lasting technical and administrative capacity among Indonesian partners.

- (ii) **Management and Financial Capacity**  
The Applicant must demonstrate adequate administrative and financial management capability to deliver the required results.
- (iii) **Management approach provides for flexibility in implementation and in response to changing conditions and changing USG requirements.**
- (iv) **Staffing:** Applicants should provide CVs for the Project Manager and all technical positions. Individuals proposed will be evaluated for their strengths and skills, including education and prior work experience, especially as it relates to conducting integrity and accountability programs and their knowledge relevant to the issues mentioned in this APS.

### **3. Past Performance (10 Points):**

Applications will be evaluated to gauge the Applicant's past performance in similar activities. Applicants should submit evidence of past performance, with particular emphasis on programs similar to those outlined in the APS. Applicants must provide current and active contact information for relevant past projects.

USAID will check references. Reference information should include the location, current telephone numbers, and point of contact and award numbers if available. A brief description of work performed is also required. This information should be attached to the Application package.

### **C.4. COST EVALUATION CRITERIA**

Evaluation points will not be awarded for cost. Cost will primarily be evaluated for realism, allowability and reasonableness. This evaluation will consist of a review of the cost portion of an Applicant's application to determine if the overall costs proposed are realistic for the work to be performed, if the costs reflect the Applicant's understanding of the requirements, and if the costs are consistent with the Technical Application.

Evaluation of Cost Applications will consider, but not be limited to, the following:

- Cost reasonableness, cost realism and completeness of the cost application and supporting documentation;
- Overall cost control/cost savings evidenced in the application (avoidance of excessive salaries, excessive home office visits, and other costs in excess of reasonable requirements);
- Proposed cost sharing.

Cost realism is an assessment of accuracy with which proposed costs represent the most probable cost of performance, within each Applicant's technical and management approach. A cost realism evaluation shall be performed as part of the evaluation process as follows:

- Verify the Applicant's understanding of the requirements.
- Assess the degree to which the Cost Applications accurately reflect the technical and management approach as well as the risk that the Applicant will be successful in providing the supplies or services for the costs proposed.
- Assess the degree to which the costs included in the Costs Applications accurately represent the work effort included in the respective Technical Applications.

The results of the cost realism analysis will be used as part of the Agency's best value/tradeoff analysis. Although technical evaluation criteria are significantly more important than cost, the closer the technical evaluation scores of the various applications are to one another, the more important cost considerations will become. Therefore, the evaluation of costs proposed may become a determining factor in making the award.

**Notes on Cost Sharing:**

- a. Cost share is defined by USAID as "contributions, both cash and in-kind, which are necessary and reasonable to achieve program objectives and which are verifiable from the recipient's records." Please take note of the provision on cost-sharing in 22 CFR 226.23.
- b. Although there is no requirement that Applicants propose a specific cost share, USAID policy is that cost sharing is an important element of the USAID-recipient relationship. USAD requires Applicants to demonstrate their commitment to program success by addressing the issue of cost-sharing.

[End of Section C]